

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON, AT SEATTLE

CARPENTERS HEALTH AND SECURITY  
TRUST OF WESTERN WASHINGTON;  
CARPENTERS RETIREMENT TRUST OF  
WESTERN WASHINGTON; CARPENTERS  
OF WESTERN WASHINGTON INDIVIDUAL  
ACCOUNT PENSION TRUST;  
CARPENTERS-EMPLOYERS VACATION  
TRUST OF WESTERN WASHINGTON; and  
CARPENTERS-EMPLOYERS  
APPRENTICESHIP AND TRAINING TRUST  
OF WESTERN WASHINGTON,

Plaintiffs,

v.

SAUNDERS CONSTRUCTION SERVICES,  
LLC, Washington limited liability company,

Defendant.

Cause No.

COMPLAINT FOR MONETARY  
DAMAGES

**I. PARTIES**

1.1 Plaintiff Carpenters Health and Security Trust of Western Washington (“Carpenters Health & Security Trust”) is a trust fund established for the purpose of providing and maintaining hospital, medical, dental, vision, disability or death benefits, and any other similar benefits for eligible members and their beneficiaries. It maintains a principal office in Seattle, King County, Washington.

1           1.2     Plaintiff Carpenters Retirement Trust of Western Washington (“Carpenters  
2 Retirement Trust”) is a trust created for the purpose of providing benefits for the support of  
3 eligible members after retirement and/or their beneficiaries pursuant to a retirement plan. It  
4 maintains its principal office in Seattle, King County, Washington.

5           1.3     Plaintiff Carpenters of Western Washington Individual Account Pension Trust  
6 (“Carpenters Pension Trust”) is a trust created for the purposes of providing pension benefits to  
7 employees and beneficiaries pursuant to a pension plan. It maintains its principal office in  
8 Seattle, King County, Washington.

9           1.4     Plaintiff Carpenters-Employers Vacation Trust of Western Washington  
10 (“Carpenters Vacation Trust”) is trust created for the purposes of providing vacation and related  
11 benefits to employees pursuant to a vacation benefit plan. It maintains its principal office in  
12 Seattle, King County, Washington.

13           1.5     Plaintiff Carpenters-Employers Apprenticeship and Training Trust Fund of  
14 Western Washington (“Carpenters Apprenticeship Trust”) is a trust created for the purpose of  
15 providing apprenticeship and training benefits to employees in a manner as set forth in the  
16 agreement.

17           1.6     Defendant Saunders Construction Services, LLC (“Saunders Construction”) is a  
18 Washington limited liability company with its principal place of business in Seattle, King  
19 County, Washington.

## 20                               **II. JURISDICTION AND VENUE**

21           2.1     This Court has jurisdiction pursuant to §§301(c), 302(e) of the Labor  
22 Management Relations Act (“LMRA”), codified at 29 U.S.C. §§185(c), 186(e); and §§502(a)(3),  
23 (e)(2) of the Employee Retirement Income Security Act of 1974 (“ERISA”), codified at 29  
24 U.S.C. §§1132(a)(3), (e)(2).

2.2 Venue in this Court is proper pursuant to §301(a) LMRA, codified at 29 U.S.C. § 185(a); §502(e)(2) ERISA, codified at 29 U.S.C. §1132(e)(2); and pursuant to agreement between the parties.

### III. FACTS

3.1 Defendant Saunders Construction Services, LLC is a Washington limited liability company with its principal place of business in Seattle, King County, Washington.

3.2 On August 27, 2010, Elmer Saunders, representing himself to be the Owner of Saunders Construction, executed a Project Agreement with the Pacific Northwest Regional Council of Carpenters (the "Union"). The Project Agreement provides in part:

The undersigned parties agree that the Employer and the Pacific Northwest Regional Council of Carpenters ("Regional Council") adopt and are bound by all of the terms and conditions of the Labor Agreement designated below, any Appendix or Addenda thereto, all present and future amendments, and any future substitute or successor Labor Agreements thereto (hereafter "designated Labor Agreement"), for the Employer's work on the project listed below.

1. DESIGNATED LABOR AGREEMENT: The Employer adopts and agrees to abide by the following Labor Agreement: Western and Central Washington Area MASTER Agreement + fringe benefit between the Employers represented by AGC of Washington and the Regional Council. Current version effective June 1, 2007 through May 31, 2012.

The Project Agreement was limited in scope to one project at the University of Washington's Seattle campus:

DESIGNATION OF PROJECT: This agreement applies only to the project described as follows: UW ~~Primary Care~~ Hall Health Remodel / 4060 E. Stevens Way NE. Seattle 98195 This agreement shall continue in full force and effect for the duration of the project whether or not the Employer is performing work within the scope of the designated Labor Agreement at any time.

By signing the Project Agreement, Saunders Construction also agreed to become party to the trust agreements referenced in the Labor Agreement:

5. TRUST FUND OBLIGATIONS: The undersigned Employer hereby becomes a party to the applicable Trust Agreements for the trust

funds or their successors identified in the designated Labor Agreement. The Employer agrees to be bound by the written provisions and procedures of said Trust Agreements, and any present or future amendments, and to any successor Trust Agreements. Employer accepts as its lawful representatives, the employer trustees who are not or who may hereafter serve on the Board of Trustees of the respective Trusts as determined by the Trust Agreements.

...

8. **PROMPT PAYMENT OF WAGES AND FRINGE BENEFIT CONTRIBUTIONS:** Prompt payment of wages and fringe benefit contributions are of the essence of this Agreement. If the Employer fails to timely file a remittance report and payment covering any of its covered employees, or fails to provide negotiable payroll checks or deposits when due, any no-strike provision of the designated Labor Agreement is suspended and the Regional Council in its sole discretion may resort to economic action (including but not limited to a strike or refusal to dispatch workers) and may initiate civil action. The Employer agrees to pay reasonable attorney fees and costs in the event the Regional Council prevails.

3.3 By signing the project Agreement, Saunders Construction agreed to the terms and conditions of the 2007 – 2012 Agreement between Associated General Contractors of Washington and Carpenters, Piledrivers, and Millwrights of the Pacific Northwest Regional Council of Carpenters of the United Brotherhood of Carpenters and Joiners of America, effective as of June 1, 2007 to May 31, 2012 (the “Labor Agreement”).

3.4 Under the terms of the Labor Agreement, Saunders Construction agreed to make monthly fringe benefit contributions to the plaintiff trusts and other, specified funds, effective June 1, 2009:

SECTION 1. All employees covered by this Agreement shall be classified and paid in accordance with the classifications, scales, and special conditions set forth in Appendix 1, Schedules “A,” “B,” and “C” and no other classification wage rates or special conditions shall be recognized.

...

DEDUCTIONS: (These are deducted from wages)		
Vacation	1.00	Open
Union Deduction	3.85%	Open
Millwrights Dues Check-off	4.5%	Open

FRINGE BENEFITS:	EFFECTIVE	
	June 1, 2009	June 1, 2010
Health & Security	\$6.91	Open
Retirement	\$4.25	Open
Apprenticeship	\$0.67	Open

3.5 The amount of fringe benefit contributions due and owing under the Labor Agreement for June 1, 2010 forward are set forth in a revised "Western Washington - Schedule A" issued by the Pacific Northwest Regional Council of Carpenters (the "Revised Schedule A").

3.6 The Plaintiff Trust Funds are beneficiaries under the terms of the Labor Agreement.

3.7 The amounts Saunders Construction agreed to pay the Plaintiff Trust Funds are set forth in the Labor Agreement, at Schedule A, Section 1, and in the Revised Schedule A.

3.8 Pursuant to the terms of the Labor Agreement, Saunders Construction agreed to pay all fringe benefit contributions to the Plaintiff Trust Funds' designated administration office in Seattle, King County, Washington. The Plaintiff Trust Funds' administration office collects all amounts specified in Schedule A-1, Section 1 of the Labor Agreement, and in the Revised Schedule A, as well as the union deductions/dues referred to in Schedule A, Section 1 of the Labor Agreement.

3.9 Saunders Construction was required to provide its monthly reports and contributions payments to the Plaintiff Trust Funds' administration office no later than the 15th of each month following the month in which the hours were worked.

3.10 As a signatory to the Labor Agreement, as discussed above, Saunders Construction agreed to the terms of the (i) Carpenters Health & Security Trust of Western Washington; (ii) Carpenters Retirement Trust of Western Washington; (iii) Carpenters of Western Washington Individual Account Pension Trust; (iv) Carpenters-Employers Vacation

1 Trust of Western Washington; and (v) Carpenters-Employers Apprenticeship and Training Trust  
2 of Western Washington.

3 3.11 Saunders Construction's obligations under the Carpenters Health & Security Trust  
4 are set forth in Article II, Sections 8 – 13, and Article IV, Section 17 of the *Revised Trust*  
5 *Agreement of the Carpenters Health and Security Trust of Western Washington*, dated January 1,  
6 1998, and as amended. Under the Carpenters Health & Security Trust, Saunders Construction  
7 agreed to, among other things:

- 8           ▪ Submit its reports on or before the 15th day of the calendar month  
9           following the month in which the contributions are payable, even if the  
10           company had no employees for that period of time;
- 11           ▪ Comply with a request to submit any information, data, report or other  
12           documents reasonably relevant to and suitable for purposes of  
13           administration of the trust, as requested by the trust funds;
- 14           ▪ Payment of liquidated damages of twelve (12) percent on all delinquent  
15           contributions;
- 16           ▪ Payment of interest of not less than twelve (12) percent, nor more than  
17           eighteen (18) percent; and
- 18           ▪ Payment of the trust fund's attorney fees, costs of collection, and auditor's  
19           fees.

20 3.12 Saunders Construction's obligations under the Carpenters Retirement Trust are set  
21 forth in Article II, Sections 8 – 13, and Article IV, Section 17 of the *Revised Trust Agreement of*  
22 *the Carpenters Retirement Trust of Western Washington*, dated January 1, 1998, and as amended.  
23 Under the Carpenters Retirement Trust, Saunders Construction agreed to, among other things:

- 24           ▪ Submit its reports on or before the due date specified in the trust  
25           agreement or as set by the trustees, even if the company had no employees  
26           for that period of time;
- Comply with a request to submit any information, data, report or other  
documents reasonably relevant to and suitable for purposes of  
administration of the trust, as requested by the trust funds;

- 1           ▪       Payment of liquidated damages of twelve (12) percent on all delinquent contributions;
- 2           ▪       Payment of interest of not less than twelve (12) percent, nor more than
- 3               eighteen (18) percent; and
- 4           ▪       Payment of the trust fund's attorney fees, costs of collection, and auditor's fees.

5           3.13   Saunders Construction's obligations under the Carpenters Pension Trust are set  
6 forth in Article II, Sections 8 – 13, and Article IV, Section 17 of the *Revised Trust Agreement of*  
7 *the Carpenters of Western Washington Individual Account Pension Trust*, dated January 1, 1998,  
8 and as amended. Under the Carpenters Pension Trust, Saunders Construction agreed to, among  
9 other things:

- 10           ▪       Submit its reports on or before the due date specified in the trust
- 11               agreement or as set by the trustees, even if the company had no employees
- 12               for that period of time;
- 13           ▪       Comply with a request to submit any information, data, report or other
- 14               documents reasonably relevant to and suitable for purposes of
- 15               administration of the trust, as requested by the trust funds;
- 16           ▪       Payment of liquidated damages of twelve (12) percent on all delinquent
- 17               contributions;
- 18           ▪       Payment of interest of not less than twelve (12) percent, nor more than
- 19               eighteen (18) percent; and
- 20           ▪       Payment of the trust fund's attorney fees, costs of collection, and auditor's
- 21               fees.

22           3.14   Saunders Construction's obligations under the Carpenters Vacation Trust are set  
23 forth in Article II, Sections 8 – 13, and Article IV, Section 17 of the *Revised Trust Agreement of*  
24 *Carpenters-Employers Vacation Trust of Western Washington*, dated January 1, 1998, and as  
25 amended. Under the Carpenters Vacation Trust, Saunders Construction agreed to, among other  
26 things:

- 25           ▪       Submit its reports on or before the due date specified in the trust
- 26               agreement or as set by the trustees, even if the company had no employees
- for that period of time;

- 1           ▪ Comply with a request to submit any information, data, report or other  
2 documents reasonably relevant to and suitable for purposes of  
3 administration of the trust, as requested by the trust funds;
- 4           ▪ Payment of liquidated damages of twelve (12) percent on all delinquent  
5 contributions;
- 6           ▪ Payment of interest of not less than twelve (12) percent, nor more than  
7 eighteen (18) percent; and
- 8           ▪ Payment of the trust fund's attorney fees, costs of collection, and auditor's  
9 fees.

10           3.15 Saunders Construction's obligations under the Carpenters Apprenticeship Trust  
11 are set forth in Article II, Sections 8 – 13, and Article IV, Section 17 of the *Revised Trust*  
12 *Agreement of Carpenters-Employers Apprenticeship and Training Trust Fund of Western*  
13 *Washington*, dated January 1, 1998, and as amended. Under the Carpenters Apprenticeship  
14 Trust, Saunders Construction agreed to, among other things:

- 15           ▪ Submit its reports on or before the due date specified in the trust  
16 agreement or as set by the trustees, even if the company had no employees  
17 for that period of time;
- 18           ▪ Comply with a request to submit any information, data, report or other  
19 documents reasonably relevant to and suitable for purposes of  
20 administration of the trust, as requested by the trust funds;
- 21           ▪ Payment of liquidated damages of twelve (12) percent on all delinquent  
22 contributions;
- 23           ▪ Payment of interest of not less than twelve (12) percent, nor more than  
24 eighteen (18) percent; and
- 25           ▪ Payment of the trust fund's attorney fees, costs of collection, and auditor's  
26 fees.

27           3.16 Following execution of the collective bargaining agreements, Saunders  
28 Construction hired union workers subject to the scope of the agreements and began the monthly  
29 reporting and payment of contributions to the Plaintiff Trust Funds.

30           3.17 Saunders Construction submitted its monthly reports to the Plaintiff Trust Funds  
31 for the period October through December 2010, and September 2011. However, Saunders



1 Construction did not timely provide its monthly reports and fringe benefit contributions  
2 payments for this period.

3 3.18 Saunders Construction has failed to submit its monthly reports to the Plaintiff  
4 Trust Funds for the period January 2011 through August 2011, and October 2011 through today.  
5 Because Saunders Construction has refused and/or failed to provide its monthly reports, the  
6 amount of contributions owing to the Plaintiff Trust Funds is unknown.

7 3.19 As of today, Saunders Construction owes the Plaintiff Trust Funds contributions  
8 for the months of November and December 2010 in an amount to be proven at trial, but not less  
9 than \$1,759.08 in fringe benefit contributions, plus liquidated damages, prejudgment interest,  
10 attorney fees and costs of collection.

#### 11 **IV. CAUSES OF ACTION**

##### 12 **First Cause of Action** 13 **(Breach of Contract)**

14 4.1 The Plaintiff Trust Funds reallege each and every allegation contained in ¶¶3.1 –  
15 3.19, above.

16 4.2 The above actions of the defendant constitute a breach of terms of the labor and  
17 trust agreements between the Union and Saunders Construction, to which the Plaintiff Trust  
18 Funds are beneficiaries and/or parties.

19 4.3 As a result of Saunders Construction's breach, the Plaintiff Trust Funds have been  
20 damaged in an amount to be proven at trial, but not less than \$1,759.08 in fringe benefit  
21 contributions, liquidated damages, prejudgment interest, attorney fees and costs of collection.

##### 22 **Second Cause of Action** 23 **(Violation of ERISA)**

24 4.4 The Plaintiff Trust Funds reallege each and every allegation contained in ¶¶3.1 –  
25 3.19, above.

26 4.5 The above actions and inactions of defendant constitutes a violation of §515  
ERISA, codified at 29 U.S.C. §1145.

4.6 As a result of defendant's actions and inaction, the Plaintiff Trust Funds have been damaged in an amount to be proven at trial, but not less than \$1,759.08 in fringe benefit contributions, plus liquidated damages, prejudgment interest, attorney fees and costs of collection.

# **V. RELIEF REQUESTED**

The Plaintiff Trust Funds respectfully request the Court grant the following:

- A. Judgment in favor of the Plaintiff Trust Funds, in an amount to be determined at trial, but not less than \$1,759.08, representing past-due and delinquent fringe benefit and other contributions owing by defendant pursuant to the terms of the labor and trust agreements to which Saunders Construction is a party;
- B. Judgment in favor of the Plaintiff Trust Funds, in an amount to be determined at trial, but not less than \$167.94, representing liquidated damages owing by defendant pursuant to the terms of the labor and trust agreements to which Saunders Construction is a party;
- C. Judgment in favor of the Plaintiff Trust Funds, in an amount to be determined at trial, but not less than \$210.71, representing accrued interest owing by the defendant pursuant to the terms of the labor and trust agreements to which Saunders Construction is a party;
- D. An award of attorney fees and costs, as authorized by the labor and trust agreements to which Saunders Construction is a party, and as authorized under ERISA; and
- E. Any other such relief under federal law or as is just and equitable.

Dated this 30th day of March, 2012.



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